Examiners' Report
Lead Examiner Feedback

January 2022

Pearson BTEC Nationals
In L3 Qualification in Marketing
Unit 50234N – Unit 2: Principles of Marketing

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January 2022
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Grade Boundaries

What is a grade boundary?
A grade boundary is where we set the level of achievement required to obtain a certain grade for the externally assessed unit. We set grade boundaries for each grade, at Distinction, Merit and Pass.

Setting grade boundaries
When we set grade boundaries, we look at the performance of every learner who took the external assessment. When we can see the full picture of performance, our experts are then able to decide where best to place the grade boundaries – this means that they decide what the lowest possible mark is for a particular grade.

When our experts set the grade boundaries, they make sure that learners receive grades which reflect their ability. Awarding grade boundaries is conducted to ensure learners achieve the grade they deserve to achieve, irrespective of variation in the external assessment.

Variations in external assessments
Each external assessment we set asks different questions and may assess different parts of the unit content outlined in the specification. It would be unfair to learners if we set the same grade boundaries for each assessment, because then it would not take accessibility into account.

Grade boundaries for this, and all other papers, are on the website via this link:
http://qualifications.pearson.com/en/support/support-topics/results-certification/grade-boundaries.html

Awarding BTEC qualifications in 2022
Ofqual has set out their plans for awarding qualifications in 2022 and intend to return to a normal, pre-pandemic, approach to grading standards over by 2023. They have confirmed that 2022 will be a transition year, to reflect that we are in a pandemic recovery period and students' education has been disrupted.

Our guiding principle and approach to awarding BTEC qualification results in 2022 will be to ensure parity in relation to the approach being taken for GCSE and A level learners. BTEC courses have a different structure and design to academic qualifications - BTECs are modular qualifications (with assessments taking place throughout the course) compared to GCSEs and A levels which are linear (assessed and awarded at the same time at the end of the year), and therefore our approach needs to be different.

In 2022 we will return to the usual method of calculating BTEC qualification results, however adaptations including, U-TAGs and reduced internal assessment, are in place to provide a comprehensive package of support for students.

The basis of our awarding approach to BTECs this year is to ensure it is as fair as possible for all learners. We will use a range of evidence to set grade boundaries for the external units. Part of this evidence will be to closely monitor learner performance in all assessments that contribute to learners' final qualification grade, to ensure parity with A level and GCSEs.

Further information can be found on our website and via our Social Media channels.

50234N – Unit 2: Principles of Marketing

Grade	Unclassified	Level 3			
		N	P	M	D
Boundary Mark	0	11	23	36	50

Introduction

This was the first examination of the Principles of Marketing unit 50234N. The structure of the paper has three sections. Section A contains multiple choice and short answer questions and does not have a linked context. This is worth 23 marks. Section B and C each have a context before multiple choice short answer and extended open response questions. Section B is worth 22 marks and Section C is worth 25 marks. In section B the context was for a service provider focused within the business-to-business market in terms of a web design business and Section C was a goods manufacturer in terms of manufacturing and selling vegan food. On the Pearson website you will find Sample Assessment Material and Additional Assessment Material, as well as this paper as practice for learners in preparing for future series.

Introduction to the Overall Performance of the Unit

It was clear that centres had prepared learners on how to structure responses. The Extended Open Response questions (assess, discuss and evaluate), which have level-based response mark schemes, saw most learners offer balanced responses looking at positives and negatives associated with a decision and where needed offered conclusions. It was more mixed in terms of the ability of learners to apply the response to the context of the business in the question. Some went as far as writing the name of the business. Others ensured that the response was fully related to the business in the context. Section B was the section where students had a higher mean score and Section C the lowest mean score, with two questions in particular causing significant challenge. These were on physical evidence (which has a sub heading D7 in the specification) and the internal environment and how it can affect market research. These and other questions will be considered below in terms of strong performance and areas for development.

Individual Questions

Section A

Question 1

This was one of the more challenging multiple-choice questions with one of the lower mean scores. Just over half could identify that mystery shopping was a primary research method. In B1 Researching the Market it clearly lists mystery shopping under primary market research methods as the second sub bullet point.

The response below scored **one mark**: they have identified the correct response in this case by placing a tick in the appropriate box. However, please note that the instruction above clearly asks for a cross to be placed in a box. Thankfully for this learner their error was picked up and it was marked manually.

Some questions must be answered with a cross in a box ☒. If you change your mind about an answer, put a line through the box ☒ and then mark your new answer with a cross ☒.

Answer ALL questions.

SECTION A

1 Which **one** of these is an example of a primary research method?

☒ **A** Government statistics

☑ **B** Mystery shopping

☒ **C** Trade journals

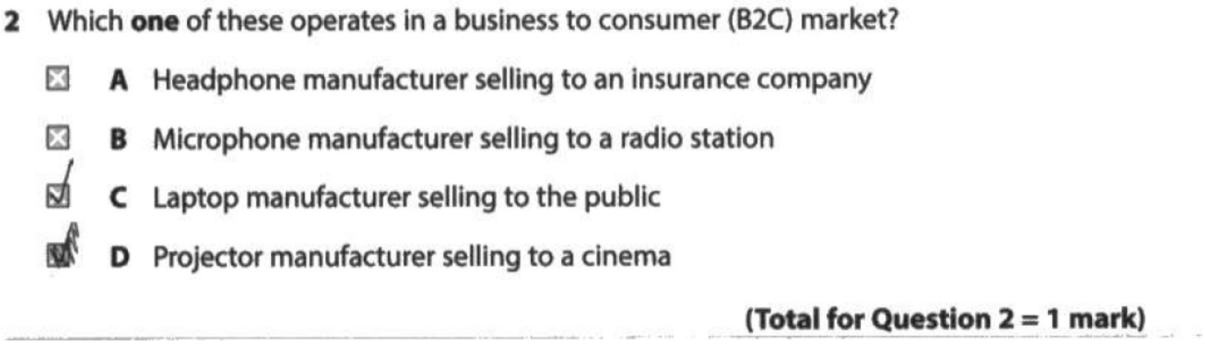
☒ **D** Company accounts

(Total for Question 1 = 1 mark)

Question 2

In contrast this was the strongest performing multiple-choice question. Learners had to identify which of the examples given was business to consumer (B2C). This assessed A1 The role of marketing, specifically market types. The vast majority could identify the laptop manufacturer selling to the public as the correct example. All other examples were business to business (B2B)

The response below scored **one mark**: the correct answer has been ticked. Once again a cross should be used. Also note the learners has ticked an original answer and then scribbled this out before choosing the correct answer. Once again reading the instruction they are told to put a line through the box if they change their mind. This learner is fortunate that this has been identified and manually marked.



2 Which **one** of these operates in a business to consumer (B2C) market?

- ☒ **A** Headphone manufacturer selling to an insurance company
- ☒ **B** Microphone manufacturer selling to a radio station
- ☑ **C** Laptop manufacturer selling to the public
- ☒ **D** Projector manufacturer selling to a cinema

(Total for Question 2 = 1 mark)

Question 3

This question also assessed A1 The role of marketing, focusing on the market reach. Learners needed to identify the mass market product which was given amongst three niche market products. Every learner that was awarded a Distinction achieved this mark but at the Pass boundary they were more likely to select a niche market example. The mass market product was a milk chocolate bar. Each of the other examples have a specific part of the market that they target, making them niche in nature.

The response below scored **one mark**: note here the x in the box. It also seems like they have underlined the niche aspects of B and C as they work through to reject these responses.

3 Which **one** of these is a mass market product?

- ☒ **A** Wedding cake
- ☒ **B** Protein bar
- ☒ **C** Gluten-free sweets
- ☒ **D** Milk chocolate bar

(Total for Question 3 = 1 mark)

Question 4

This question produced the poorest response on the paper. Learners needed to identify the push marketing example. This tested D4 Promotion and specifically push and pull marketing. The specification gives the definition of push marketing as 'tries to push products towards customers'. Event marketing is a promotional strategy that involves face to face contact between a business and its customers at events such as conferences and trade shows. At the event the businesses staff will push the products on to consumers. Pull marketing in contrast is about raising awareness to generate demand. With each of social media advertising, TV advertising and email marketing it is about raising awareness of the business, the brand and products.

The response below scored **zero marks:** I have included this response to show how to correctly reject a response. Having selected TV advertising as their choice the learner has changed their mind and put a line through their cross and selected another response. This is as instructed at the start of the paper. In this case both the responses were incorrect. The correct answer is C.

4 Which **one** of these is an example of push marketing?

- ☒ **A** Event marketing
- ☒ **B** Social media marketing
- ~~☒~~ **C** TV advertising
- ☒ **D** Email marketing

(Total for Question 4 = 1 mark)

Question 5

The final multiple-choice question in Section A gave a stem explaining that *World Sports* places its products in physical locations and through digital sales. Most could correctly identify that this was best described as bricks and clicks. This question tested D3 Place. A common error was to select bricks and mortar which refers to selling through physical stores only. Multichannel marketing is identified in the specification under D4 promotion and is clearly defined as involves 'using a range of (promotional) methods'.

The response scored **one mark.**

World Sports is a sports retailer. It places its products in two locations. It sells from its physical location and through digital sales.

5 Which **one** of the following best describes the 'Place' used by *World Sports*?

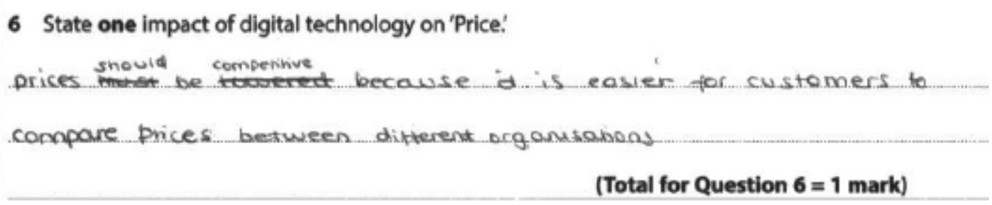
- ☒ **A** Bricks and clicks
- ☒ **B** Digital marketing
- ☒ **C** Bricks and mortar
- ☒ **D** Multichannel marketing

(Total for Question 5 = 1 mark)

Question 6

This question tested D9 the marketing mix in different B2C and B2B markets and specifically the impact of digital technology across the mix. It focused on how digital technology impacted price. It proved to be a challenging question. A common error was in interpreting the question. Some learners considered businesses selling digital technology and the price they would charge when launching new products. Others considered the selling online and how a delivery costs would need to be added but this does not impact the selling price of each individual item. Neither approach gained credit.
Those that gained credit tended to focus on price transparency, although they rarely used this term, and how customers could easily compare prices from different businesses. Others identified that digital technology enables prices to be changed rapidly. Others talked about having lower business costs without physical locations facilitating the lowering of prices. One approach taken by learners was to explain that updating the digital technology was expensive adding to the costs and therefore price which was accepted. It was important in any response offered that the link to price was made.

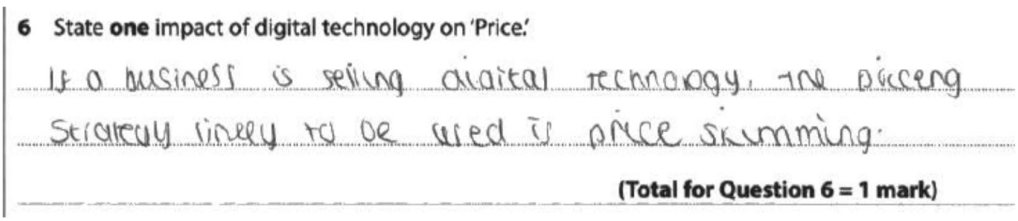
In the following example **1 mark** was awarded: they identify that customers find it easier to compare prices so prices should be competitive. The clear link is made to show how the price is affected by the ability to compare.


6 State **one** impact of digital technology on 'Price.'

prices should be competitive because it is easier for customers to compare prices between different organisations

(Total for Question 6 = 1 mark)

In the following example **0 mark** was awarded: the question has not been understood by this learner and they are telling me how selling digital technology affects the price.


6 State **one** impact of digital technology on 'Price.'

If a business is selling digital technology, the pricing strategy likely to be used is price skimming.

(Total for Question 6 = 1 mark)

Question 7

This question was answered well by most learners. It tested A2 focusing on business/ organisation aims. Learners were given a stem about a charity, and they had to identify a likely organisation aim. The vast majority focused the response on helping children or hospitals and on raising funds or collecting donations. Some learners stated to maximise profit which was not rewarded as charities aim to maximise surplus and support a selected group.

The response below scored **one mark:** the learners has focused on raising funds/ receiving donations which is enough to gain the mark.

Project Hospital Fun is a charity that supports children in hospital.

7 State **one** likely organisation aim of *Project Hospital Fun*.

To raise enough funds /receive donations to continue to run as a nonprofit organisation.

(Total for Question 7 = 1 mark)

In the following response **one mark** was awarded: this one was more applied to the stem in terms of making children in hospital happy which is an appropriate organisation aim.

Project Hospital Fun is a charity that supports children in hospital.

7 State **one** likely organisation aim of *Project Hospital Fun*.

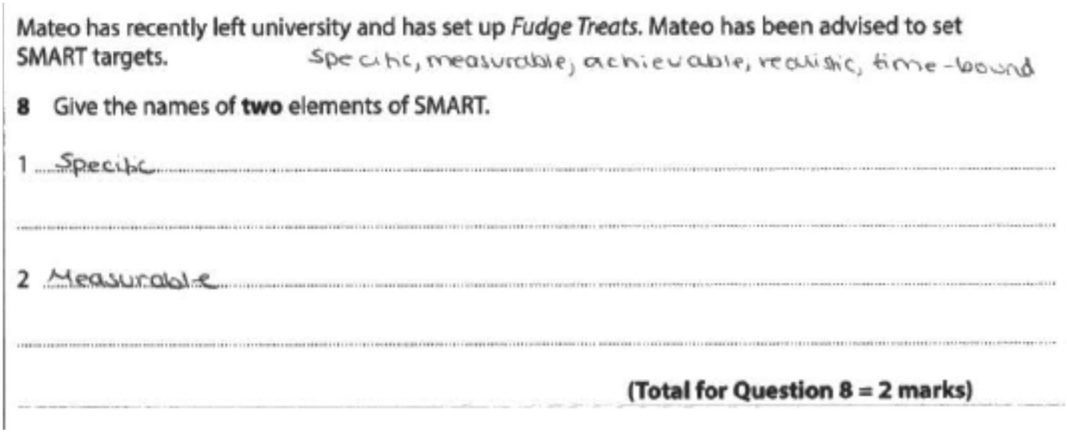
To make the children that come in to the hospital happy.

(Total for Question 7 = 1 mark)

Question 8

This question scored well with the vast majority being able to access two marks. The question assessed A2 once again focused on SMART marketing objectives. Learners only needed to give the names of two elements of SMART. The specification lists specific, measurable, achievable, relevant and time bound. Other reasonable attempts were rewarded e.g., attainable in place of achievable, realistic in place of relevant and timely in place of time bound.

In the response below **two marks** were awarded: One for 'specific' and one for 'measurable'. Note that achievable, realistic and time-bound are also listed after the stem and if no response had been offered in the space this would have achieved the two marks.



Mateo has recently left university and has set up *Fudge Treats*. Mateo has been advised to set SMART targets. Specific, measurable, achievable, realistic, time-bound

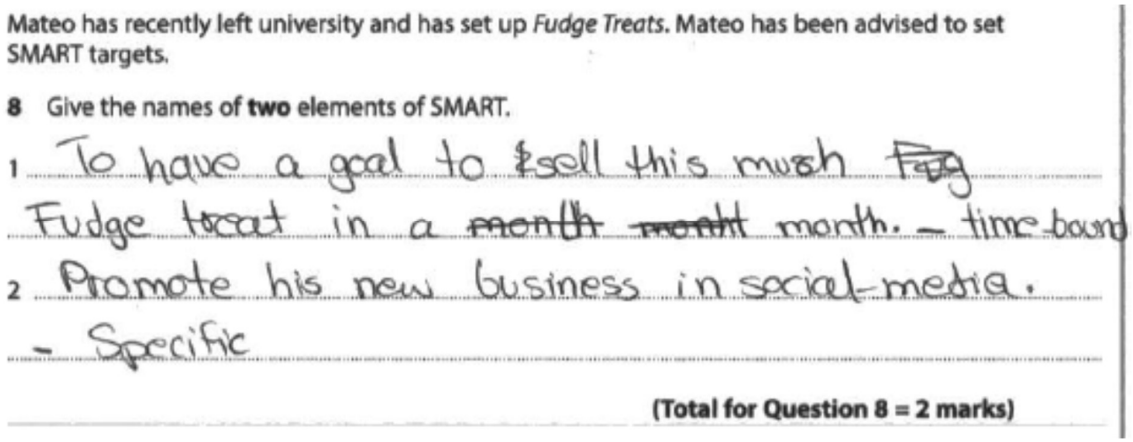
8 Give the names of **two** elements of SMART.

1 Specific

2 Measurable

(Total for Question 8 = 2 marks)

In the response below **two marks** were awarded: this learner has given examples of specific and time-bound marketing objectives but fortunately they have clearly identified at the end what each relates to. On a give question it is fine just to give the answer without any further detail.



Mateo has recently left university and has set up *Fudge Treats*. Mateo has been advised to set SMART targets.

8 Give the names of **two** elements of SMART.

1 To have a goal to ~~Sell~~ sell this mush ~~Fudge~~ Fudge treat in a ~~month~~ ~~month~~ month. – time bound

2 Promote his new business in social-media. – Specific

(Total for Question 8 = 2 marks)

Question 9

The vast majority of learners scored at least one mark on this question, and many achieved full marks. The question tested A2, specifically marketing objectives being based on research. The specification lists research into competitors, sales, profit and forecasts so all of these were accepted. There were however a number of other valid responses such as their target audience and other responses focused on the context in terms of researching the latest movies and cartons which were valid answers and rewarded.

Two marks were awarded to the response below. One mark for their competitors and one mark for their target customers.

Character Figures sells collectible figures based on movies and cartoon characters. Its Marketing Director has been asked to set marketing objectives.

9 Give **two** areas that the Marketing Director should research before setting the marketing objectives.

1 Their competitors / potential competitors

2 Their target customers

(Total for Question 9 = 2 marks)

In the example below **two marks** were awarded. The target market was awarded one mark and gaps in the market was also rewardable.

Character Figures sells collectible figures based on movies and cartoon characters. Its Marketing Director has been asked to set marketing objectives.

9 Give **two** areas that the Marketing Director should research before setting the marketing objectives.

1 Target market

2 Gaps in the market

(Total for Question 9 = 2 marks)

Question 10

Most could access one mark on this question but only a quarter were able to offer development to achieve full marks. The stem provided a scenario about a business that offered matching dresses and suits for couples where they choose every aspect of the outfit. It is important to note that just copying directly from the stem is not sufficient to gain a mark. Many said 'each couple chooses every aspect of the dress' which was a direct quote from the stem. This was not rewarded. If they processed this and said something like 'the couple will choose the colour, materials, size and fit' they have processed the stem and would be rewarded for a reason that they will have extensive decision making. The question tested understanding of C2 Consumer buying behaviour.

Common successful approaches focused on the fact it was a couple and that they needed to coordinate/ negotiate to come to decisions. Others focused on so many aspects of the design that need to be made and how time needed to be spent discussing each aspect. A less common response was that the fact it was a bespoke outfit made it likely to be expensive and therefore you want to make sure you choose the right outfits.

Two marks were awarded for the response below: The learner identifies that it is an expensive purchase for one mark and develop this by saying they do not want to spend a lot on something they do not like. They do also identify another reason in terms of more options to consider but they have already achieved the mark for the reason. It is important that

learners develop one reason as requested in the question rather than offering two or more reasons.

Couples Clothes sells matching dresses and suits for couples. Each couple chooses every aspect of their outfits.

10 Explain **one** reason why consumers have 'extensive decision making' when purchasing from *Couples Clothes*.

This is because it is ~~an~~ ~~regular~~ ~~purchase~~ expensive purchase, therefore they do not ~~know what they want straight~~ want to spend lots of money on something they do not want ~~away~~ and will have to consider more options so that they can be satisfied with their purchase.

(Total for Question 10 = 2 marks)

Two marks were awarded for the response below. One mark is awarded for the designing of the style of the products themselves and one mark for needing time to think about this for the second mark. Another reason is also developed here. The product being personalised is another reason for 1 mark and this is linked to the premium price and link this to needing to think about their options 1 mark. The learner has achieved the maximum marks available twice.

Couples Clothes sells matching dresses and suits for couples. Each couple chooses every aspect of their outfits.

10 Explain **one** reason why consumers have 'extensive decision making' when purchasing from *Couples Clothes*.

They are designing the style of the products theirselves so they need time to think about this. Due to the product being personalised, a more premium price can be charged which may customers to rethink their options.

(Total for Question 10 = 2 marks)

Question 11

Learners were given a stem providing brief information about *Natural Energise*, a manufacturer of luxury sports supplements made from natural ingredients using a premium pricing strategy. They then needed to explain two ways *Natural Energise* could segment the market. It was pleasing how many were able to offer two ways. These often related to age, lifestyle and income level. The second mark was often achieved through linked expansion linked to *Natural Energise*. For example, age was linked to children not being targeted as they are not allowed to take such supplements. Lifestyle typically linked to those targeted being those interested in sports and attending the gym who were likely to use supplements. When talking about income level most linked to premium pricing and how a higher income was needed to be able to afford the expensive supplements. However, it is worth noting that many said, 'income level as they use premium pricing'. This achieved 1 mark for income but the reference to the premium pricing is just lifted from the stem. To gain the second mark they need to process it some way for example, 'income level as the price is premium meaning only higher income households are likely to be able to afford'.

In the response below **four marks** were awarded for two ways given and both with linked expansion. The first way given for one mark is income, the second mark is awarded for expansion linked to higher income more likely to afford a product cold at high price. They have clearly processed the premium pricing idea so rewarded. The second way offered is lifestyle for one mark. The expansion refers to those with an active lifestyle who work out which would certainly be appropriate for a sports supplements manufacturer.

Natural Energise is a manufacturer of luxury sports supplements. Its products are made from natural ingredients and sold using a premium pricing strategy.

11 Explain **two** ways *Natural Energise* could segment the market.

1 They could segment based off income, targeting families or individuals with a higher income as they are more likely able to afford a product sold at a high price.

2 Or based off lifestyle. They can segment the market into people who have an active lifecycle, who work out more and target their products to that segment.

(Total for Question 11 = 4 marks)

Another example, achieving **four marks**. The way awarded was for demographics for one mark. The expansion mark was awarded for high incomes. The second way was gender which was awarded one mark. Here they make it clear that protein shakes are often targeted at men and that targeting women would be a gap, and this was awarded the second mark. It is important to be careful when considering gender there were some comments that were not appropriate. Comments derogatory to either gender were not rewardable.

Natural Energise **is a manufacturer of luxury sports supplements. Its products are made from natural ingredients and sold using a premium pricing strategy.**

11 Explain two ways *Natural Energise* could segment the market.

1 The could segment the market demographically by income. They can market their products to people with high incomes as they have more disposable revenue and would prefer luxury items.

2 They could also segment the market according to gender. Typically, sports supplements and protein shakes are targetted towards men. By targetting women, they will have found a gap in the market.

(Total for Question 11 = 4 marks)

Question 12

This question was challenging for many learners. About half were not able to access any marks. The question required an explanation of two benefits of using Porter's Five Forces from B3 The marketing environment. The biggest problem was that many could not recall any of Porter's Five Forces. Centres must do work to ensure learners can at least recall the Five Forces as listed in the specification; threat of new entrants, threat of substitutes, competitive rivalry, bargaining power of suppliers and bargaining power of buyers. The specification makes it clear they need to know how and why the tools, including Porter's Five Forces are used and the importance of the tool to making decisions. It is through this they should be able to identify possible benefits.
Learners gained a mark for any of the Five Forces listed. They then needed to say how the business would benefit from research findings related to that Force. Below I give three common lines of argument in response to this question:

- Those that identified the threat of new entrants often developed this by explaining that if there was a high threat the business might adopt a lower price to reduce the likelihood of entry as the market was less profitable.
- Those looking at the threat of substitutes tended to develop it by making reference to how a high threat would mean that the business would need to develop a USP so that people did not resort to the substitute.
- For the bargaining power of suppliers, it was linked to negotiating supplies at the cheapest price by ensuring you know how far you can push the supplier.

In the response below **six marks** were awarded: For the first benefit one mark was awarded for threat of new entrants, one mark for identifying how likely new entrants there are and the threat, one mark for making change to pricing strategy so customers do not buy from new entrant. For the second benefit one mark is bargaining power of suppliers, expansion linked to looking at other cheaper suppliers and a final mark for reducing costs.

ACM is a manufacturer of wireless smartphone chargers. *ACM* has asked its Marketing Manager to use Porter's Five Forces to look at the marketing environment.

12 Explain **two** benefits for *ACM* of using Porter's Five Forces.

1 One feature of Porters Five Forces is threat of new entrants. By ACM using Porters Five Forces they will identify how likely there is to be new entrants to the market and the threat they hold to ACM. for example are they a new business or are they an existing business who are going to sell in a new market. This will allow ACM to make any changes they need to. For example adapt their pricing strategy so customers dont buy from the new entrants.

2) Another feature is bargaining power of suppliers. By looking at this, it will allow ACM to see if they could use any other suppliers or not. The benefit will be if they find a cheaper supplier who is just as reliable they will be reducing their costs. **(Total for Question 12 = 6 marks)**

Section B

Question 13

This section starts with a context related to a web design business, *ADS Ltd*. The scenario includes Figure 1 with sales revenue for years 1 to 6. From this the learner must consider the stage of the product life cycle *ADS Ltd* is in during year 6. Most were able to identify that the slowing growth in sales made this the maturity stage. One common mistake was to identify this as growth which occurs where sales grow rapidly in a product life cycle. Another common mistake was to say the decline stage. But whilst sales are slowing, they are still rising so this is not the decline stage.

One mark is awarded for the correct answer.

13 Which **one** of these best describes the stage of the product life cycle in year six for *ADS Ltd*'s web design service?

- ☒ **A** Introduction
- ☒ **B** Growth
- ☒ **C** Maturity
- ☒ **D** Decline

(Total for Question 13 = 1 mark)

Question 14

The answer to this question is found in the context. They need to identify two examples of intangible services provided by *ADS Ltd.* This tested C3 customer profiles. With this question this could be just lifted from the context. The main response focused on web design and on the updating of websites. The development of tablet and mobile apps was accepted but as one response. Some learners offered developing tablet apps and developing mobile apps, but this was only awarded one mark. Other less common responses included host websites, storing and transmitting data.

In the response below **two marks** were awarded for the two correct responses.

14 Identify **two** examples of intangible services provided by *ADS Ltd.*

1 Designing a website.

2 Developing apps.

(Total for Question 14 = 2 marks)

Question 15

Most learners performed well on this question and achieved both marks. The question tested C3 customer profiles, focusing on stakeholders. The majority referred to business customers. A separate mark was awarded for the consumers of the actual websites. Web designers was also a common response but more general responses about employees, owners or managers were also credited.

Two marks were awarded for the next response. One for business customers and one for web designers.

15 Identify **two** stakeholders of *ADS Ltd*.

1 The business customers

2 The web designers.

(Total for Question 15 = 2 marks)

Question 16a

Learners were given a process for handling orders and needed to explain a benefit of this process. Most could identify at least one benefit, and most could offer linked expansion. It is important that once again learners do not just copy out the stages of the process. For example, many said that customer requirements will be met for one mark and then said that it was as any changes are agreed before the website is finalised. This was copied from the process so did not get credit for the expansion. Whereas if they said that the process includes many opportunities for the business and *ADS Ltd* to refine and improve the design would be credited as it is not directly copied.

Two marks awarded with one mark for able to fully see what customers wants and needs are. The linked expansion make reference to questionnaire an ensuring they are satisfied before producing website.

16 (a) Explain **one** benefit of the process used by *ADS Ltd* for handling orders.

(2)

ADS Ltd are able to fully see what the customers wants and needs are through the initial questionnaire they also make sure that they have satisfied their customer before actually producing the website.

(b) Explain **one** way *ADS Ltd* might segment the business to business (B2B) market.

Question 16b

This question was a challenge for many with more than half not able to access marks. C1 of the specification has B2B targeting listed. This includes organisation size, scope, purpose, culture, type of product, industry type and budget size. Many responses did not answer the question either by leaving it blank or offering irrelevant responses. A common error was to identify target market segmentation related to consumers.

Two marks were awarded for the response. One mark for scope and one mark for local, national and international.

(b) Explain **one** way *ADS Ltd* might segment the business to business (B2B) market.

(2)

They can segment based off scope. This refers to where their customer sells their products, local, national, international or global in order to target different segments for different products based off where the product is best sold at.

(Total for Question 16 = 4 marks)

Zero marks were awarded for the response. The learner is referring to higher income customers rather than businesses.

(b) Explain **one** way *ADS Ltd* might segment the business to business (B2B) market.

(2)

They could segment by income. Higher income customers can have the option to receive a more premium service. This makes the service more accesible but also adds exclusivity.

(Total for Question 16 = 4 marks)

Question 17

Performance on this question was pleasing. It explored the roles of market research used by *ADS Ltd* in year 7. This tested the part in B1 on the role of market research. The most common responses focused on ensuring it understood changes in the market/ webs design, understood its competitors offer, the desirability of new products. It was important to offer linked expansion which explained why the role was so important.

Four marks were awarded to this response. One mark for seeing what the competitors offer and one mark for improving service to become market leader. One mark for to see what the customers desire and for the linked expansion, one further mark when they find what they want to provide cannot be found elsewhere.

17 Explain **two** roles of the market research used by *ADS Ltd* in year seven.

1 The role of the market research is to see what the competitors offer and what advantages they have. By knowing this, ADS Ltd can improve their own service and become the leading provider.

2 Another purpose is to see what the customers desire from their service. They need to know what the customer wants in order to be able to provide it. By providing a service that cannot be found elsewhere, ADS ltd will have increased sales and a large customer base.

(Total for Question 17 = 4 marks)

Question 18

This is the first Extended Open Response question. The majority of learners were able to achieve in Level 2. It was pleasing to see a significant number accessing Level 3. The learners needed to offer an assessment on *ADS Ltd's* future sales when it promotes at *WebSpo* a trade show. Centres had clearly prepared learners well as there was commonly some good technique shown in answering the question. Many started with a definition of trade shows. They then looked at advantages and disadvantages before offering a conclusion that typically considered whether the impact was overall positive or negative. I was impressed with the amount of learners that offered the positives and negatives related specifically to the selected business. Those that talked about the trade show being attended by other web design businesses who could copy you or whom you could replicate the strengths of. The fact that those seeking websites would be in attendance generating possible sales. Others focused in on how the new apps could be launched at this event.

This first response scores **six marks.** The definition gains some credit for appreciating that it involves the ability to explain the product. The look at a first advantage which is more theoretical in terms of raising awareness who may buy in the future. They then offer another advantage but this time it is contextualised linked to the selected business. In that those attending will be interested in web design. This meaning they are more likely to be able to meet their needs. This is then linked to sales and revenue. The learner then offers a disadvantage in terms of expense/ costs. This lacks detail although there is an attempt to link to the falling sales revenue in the context. The conclusion is effective talking about the appropriateness of a trade show for *ADS Ltd.* The learner has broken down the task and has sections looking at advantages and disadvantages of a trade show. Some of the points made are relevant to the context in the question.

The learner applies knowledge and understanding relevant to *ADS Ltd*.

The learner displays a partially developed assessment which considers some of the advantages and disadvantages of attending a trade show and offers a partially supported conclusion. Overall, this best fits the top of Level 2 and thus 6 marks. To improve and to access Level 3 this learner would have benefited from offering more detail on the disadvantages and offering more relevant points linked to the context.

The Marketing Director at *ADS Ltd* believes the business should start promoting its services at *WebSpo*, a technology and web design trade show.

18 Assess the impact on *ADS Ltd*'s future sales if it promotes its services at *WebSpo*.

A trade show is a method of promoting a product or service, allowing the product or service to be explained.

An advantage of promoting through a trade show is that they can promote their services to new customers. This means that there is a higher number of people aware of ADS Ltd who are likely to buy the service now or in the future.

Another advantage is that WebSpo is a technology and web design trade show. This means that people attending are interested in web design or technology. Because of this, ADS Ltd the services that offer are more likely to fulfill their needs. This will cause ADS Ltd's sales to increase as more products and services are sold, which will increase their revenue.

However promoting their services at WebSpo could be expensive. This is a disadvantage because the higher the cost, the lower the profit. And because ADS Ltd's sales revenue is showing growth, this will lower their profit they will want to increase their revenue to increase their profit.

In conclusion ADS Ltd should start promoting at WebSpo. This is because WebSpo reflects what ADS Ltd sells, therefore people attending will be interested so ADS Ltd sales revenue will increase as more people will buy the services on offer

This next response scores **5 marks.** The learner starts by giving advantages with some link to context. This focuses on awareness and sales rising. The consider a disadvantage in terms of competitors offering better products. A comment is then linked to other customers suffering from a lower standard service. Essentially the two-sided discussion with some context is missing the conclusion offered by the previous learner that offers an overall assessment of the impact. This means the learner was moved down from the top of the level to the middle of the level.

The Marketing Director at *ADS Ltd* believes the business should start promoting its services at *WebSpo*, a technology and web design trade show.

18 Assess the impact on *ADS Ltd*'s future sales if it promotes its services at *WebSpo*.

One impact I think ADS Ltd's future sales will rare if they promote their services at WebSpo is they are likely to increase. This is because trade shows are there for people to attend that are interested in what is been shown, in this case technology and web design. It will allow a lot of people to see ADS ltd that perhaps wouldn't have it they weren't in attendance, therefore their brand awareness will increase. if ADS Ltd ~~a business~~ has good brand awaress they are likely to make more sales because more people know about their business so there is more people to

buy from them / use their service.

or remain the same

However ADS's sales in the future could decrease if they promoted at Websoo. This is because as trade grows there are lots of different businesses there and if these businesses offer something that ADS don't then customers are likely to use them, meaning ADS have missed out on a sale. As well as this ADS may be focusing on the trade shows and their service to customers that have come across ADS from elsewhere may be to a lower standard. This could put these customers off who will then go to competitors. Reducing ADS's market share and not increasing their revenue when they are still likely to need to pay costs, therefore reducing their profits

Section C

Question 19

Learners were mostly able to identify that the person who will eat *Taste-v* products is known as the consumer.

This learner achieves **one mark.**

19 Which **one** of these best describes the person who will eat *Taste-v* products?

- ☒ **A** An internal customer
- ☒ **B** Organisation's employees
- ☒ **C** Shareholders
- ☒ **D** A consumer

(Total for Question 19 = 1 mark)

Question 20

The performance on this question was impressive. Most could identify appropriate marketing objectives. The marketing objectives were applied to the organisation in the case study *Taste-v*. The question asked for a marketing objective and many produced SMART marketing objectives, this however was not essential.

This response scores **one mark:** this was a common response picking up from the case study that *Taste-v* intend to launch in supermarkets. They also give elements of this as SMART, although this is not a requirement.

20 State **one** appropriate marketing objective for *Taste-v*.

Have Taste-V products in 2 supermarkets within the next 6 months.

The next response also scores **one mark:** an appropriate marketing objective is offered.

20 State **one** appropriate marketing objective for *Taste-v*.

To increase social media marketing and increase content viewers by 20% in next 6 months.

Questions 21

This question tested D7 Physical evidence. A significant number were unable to access this mark. The specification lists signage, displays, images, uniforms and branding. When learners did access marks, they focused on the packaging or branding for *Taste-v* and in store displays in supermarkets.

This response achieves **one mark**: the learner focuses on packaging and how this could be made appealing to consumers. One point to note is that the learner has put art of the answer outside the space provided. In this instance this was picked up but on other questions learners filled any available space and this was not always in the area being scanned. To guarantee work is marked ensure the response is in the space provided and use additional sheets if required.

21 Give **one** example of 'physical evidence' *Taste-v* could use.

Taste-V could make the packaging of their products appealing to consumers eyes to attract their attention.

(Total for Question 21 = 1 mark)

The response achieved **one mark**: the response is just sufficient to gain the mark making reference to using packaging.

21 Give **one** example of 'physical evidence' *Taste-v* could use.

Packaging for the Taste-V Pizza or Taste-V Burger

(Total for Question 21 = 1 mark)

Question 22

The question asked learners to explain how qualitative data might help when developing products. Many defined qualitative data but this alone was not sufficient to gain a mark. Learners needed to identify how qualitative data helped and then offer linked expansion. It was common for learners to access one mark for reference to finding out what customers like or not but often they did not link to how the food offered could be adapted to access the second mark. Often vague comments like so the product can be improved were offered but this was not enough to gain the linked expansion mark.

This learner was awarded **one mark**: this is awarded for the data is likely to help know what consumers would or wouldn't like. To gain the second mark the learner needs to make the link to how it will affect the pizzas and burgers that Taste-v make.

22 Explain how qualitative data may help when developing *Taste-v* products.

Qualitative data may help when developing Taste-v products as qualitative data is detailed and includes opinions so therefore the data is likely to help know what consumers would or wouldn't like and why or why not and be helpful to Taste v of what to do.

(Total for Question 22 = 2 marks)

This response was awarded **two marks**: this first is awarded for options and data can be detailed and a second mark for linking the products in terms of the taste and texture of meat.

22 Explain how qualitative data may help when developing *Taste-v* products.

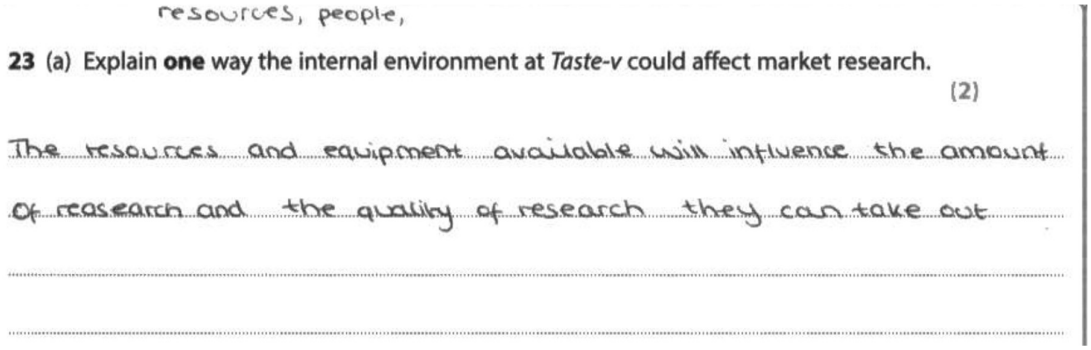
Qualitative data is usually expressed in words based off opinions. Because the data can be detailed it can be used to develop the products to be closer to the taste and texture of meat in order to meet the aim of their business.

(Total for Question 22 = 2 marks)

Question 23a

This question caused a significant issue with many. It tested how the internal environment could affect market research. Extra care in teaching the impact of the internal environment on marketing including research would be helpful for learners. When learners could access marks, they tended to focus on budget, worker skills and bias.

The learner scored the full **two marks**: one for the way, that is resources/ equipment. The second mark was awarded for linking to the amount of research and quality of the research.



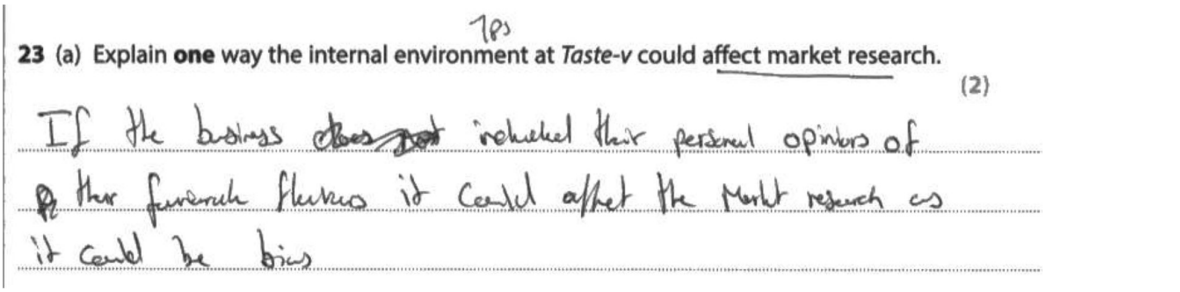
resources, people,

23 (a) Explain **one** way the internal environment at *Taste-v* could affect market research.

(2)

The resources and equipment available will influence the amount of research and the quality of research they can take out

This next response achieved **one mark**: this is awarded for reference to bias.



TPs

23 (a) Explain **one** way the internal environment at *Taste-v* could affect market research.

(2)

If the bosses ~~does not~~ included their personal opinions of other external factors it could affect the Market research as it could be bias

Question 23b

This open extended response questions asked learners to discuss the advantages and disadvantages of completing SWOT analysis. It was pleasing that most could access at least some marks and that such a large number were able to access Level 2. Accessing Level 3 was less common, and key is ensuring learners give both sides of the argument in a balanced way and that the response relates to the context, Taste-v. A number of learners just defined SWOT analysis with no discussion of advantages and disadvantages and could access no more than the bottom of Level 1. Others completed a SWOT analysis looking at the strengths, weaknesses, opportunities and threats. Again, this provided context but without advantages or disadvantages of knowing these found it difficult to move out of Level 1. Successful learners identified and developed advantages to *Taste-v* of conducting a SWOT. This was balanced with disadvantages. Generally, in the works seen, the disadvantages were weaker with most focusing on the time and resources used in completing this research. No conclusion is required on a discuss question. This was commonly offered.

The response was awarded **five marks:** they start by offering an advantage of seeing where they can improve and link this to weaknesses. The is balanced with a disadvantage in terms of being a new business. The second paragraph focuses on the disadvantage in terms of time consuming to carry it out and need to be done by a specialist. This is put in context in both paragraphs by referring to it being a small business and Amelia struggling to find the time. With the context and some development of advantages and disadvantages it just accesses Level 3.

(b) Discuss the advantages and disadvantages to *Taste-v* of completing a SWOT analysis.

One advantage of completing a SWOT analysis is that Taste-V can see where they need to improve as a business. They can see their weaknesses and generate aims and objectives to improve their products. They can also see competitors however, as the business is quite new it may not be as effective to carry out a SWOT analysis. This is because they are just starting up and are not established. Having said that, by using a SWOT analysis, they can work towards becoming an established business and by using aims & objectives.

One disadvantage of completing a SWOT analysis is that it can be time consuming to carry out and may need to be done by someone who specialises in market research. Amelia runs her business by herself so she may not have the time or the skills to carry out a SWOT analysis by herself. This may result in an inaccurate analysis and

could cause Amelia to create objectives that will not help her to improve her business. However, it is not entirely difficult to see her own strengths and weaknesses and the opportunities she has to expand her business. But allin all, Amelia will need to invest a lot of time in order to complete a SWOT analysis. **(Total for Question 23 = 8 marks)**

The response achieves **three marks**: They identify the elements of SWOT and define it. An advantage is offered but this is brief. The disadvantage links to high costs and the need to repeat. The closest the response gets to context is saying the name of *Taste-v.* This is why it was awarded low Level 2.

(b) Discuss the advantages and disadvantages to *Taste-v* of completing a SWOT analysis.

SWOT stands for strengths, weaknesses, opportunities and threats and is a situational analysis tool used to analyse the marketing environment.

An advantage of SWOT, is that Taste-V will be able to understan what their strengths are and how they can improve. This will benefit ther as they will be able to better meet consumers wants and needs and therefore their sales will increase as customers will be buying the produc

But, a disadvantage of SWOT is that the results may be unhelpful. Because of this any costs put into the SWOT analysis will be wasted meaning that to find out their strengths and analyse the market environment, they will have to repeat the process. This means that they have higher costs and therefore lower profits.

Question 24

The final question is the extended open response evaluate question. The stem explained that *Taste-v* plans to launch in supermarkets and it is considering two pricing strategies; premium and penetration. The questions required an evaluation of the two pricing strategies being considered. The most common approach was to define each which would access Level 1. Next would be to consider advantages and disadvantages of each. The question is specific in asking for the two pricing strategies to be evaluated and in the most part this was completed but some selected a pricing strategy and justified that without reference to the other policy. If one policy was evaluated effectively then typically learners could reach up to half marks. It was more common for both to be discussed and for both advantages and disadvantages to be considered for each. Weaker learners would have unbalanced responses for example talking about advantages in detail and identifying disadvantages with little expansion which again limited performance. It was common to see beautifully executed responses demonstrating a deep understanding of the pricing strategies with well expanded and balanced points. What often let these responses down was a complete lack of context. Occasionally we would see the name Taste-v only which is not context. Learners did well when the responses focused on why the pricing strategy would or would not be appropriate for a vegan pizza company launching its first product in a supermarket. It was surprising that so few made any reference to the launch in the supermarket. It was also common to omit a conclusion. Learners should be encouraged on the evaluate question to come to a decision as to which option is best and to justify this. With additional context the numbers achieving Level 3 would have increased significantly.

This response was awarded Level 3 and **11 marks**. Paragraph 1 starts off by considering penetration pricing focusing on advantages first. You will see that the learner offers this argument with some context making reference to the new product. This is well expanded making reference to getting them to try and hopefully creating brand loyalty. Paragraph 2 looks at the disadvantage of penetration pricing in terms of the impact on profit although this then explain why this will be better than competitive based prices again picking up the context of a new item and a lack of market share. Paragraph 3 considers an advantage of premium pricing although it finishes looking at problems of the pricing strategy. The fourth paragraph looks at the context of the vegan market being niche and that many would prefer to try the cheaper option.

An important element is offered at the end in terms of a conclusion which has selected and justified the pricing strategy.

***Taste-v* is going to launch the *Taste-v Pizza* in supermarkets. The Marketing Director is considering two pricing strategies:**

i penetration pricing

OR

ii premium pricing.

24 Evaluate the two pricing strategies being considered by *Taste-v*.

One benefit of Taste-V using penetration pricing is that the initial low prices may attract customers and get them to try a new product. They may not want to take the risk of trying something new if it is expensive. Once the customer has tried the product, they may make a repeat purchase if they like it. Amelia can then increase her prices as she will have a customer base that enjoys her products. Although she may not make as much profit for the first few months, she has more chance to create a loyal customer base.

A disadvantage of using penetration pricing is that for the first few months of selling, Amelia will be making little to no profits. This may affect her ability to cover costs of producing her products which may cause her to stop producing products altogether. However, it is more risky to charge competitive prices as Taste-V is new and they don't have significant market share. Customers may not purchase the product at all if the price is similar to popular competitors which is

worse than them purchasing the products for an initial low price.

One advantage of using premium pricing is that the product may be marketed as a luxury product and will generate more revenue for Amelia's business. However, by charging a higher price it may make the customer decision making process more extensive. This can result in the customer choosing not to make a purchase at all.

A disadvantage of premium pricing is that customers may opt for cheaper alternatives. The vegan food market is quite niche, so many customers haven't tried vegan food. When trying new things, customers are more likely to buy cheaper options so that if they don't enjoy it, they won't have lost as much money. And if they like it they can then venture into more premium products.

(Total for Question 24 = 12 marks)

TOTAL FOR SECTION C = 25 MARKS

TOTAL FOR PAPER = 70 MARKS

penetration: low then high premium trick all the time

Conclusion:

Overall, I believe that penetration pricing would be the best strategy to use for Taste-V. This is because they are more likely to generate sales if the price is low when the product is new because customers will not have to take a high risk. Once the product is in the growth stage, Amelia can increase her prices which will be more successful as she will have a customer base that enjoys consuming her products.

This response is awarded Level 2 and **eight marks**. Paragraph 1 focuses on penetration pricing showing knowledge through a definition, an advantage is then offered in context with reference to vegan pizzas traditionally being expensive and how Taste-v can fill the gap with a cheaper alternative. This has context and is well expanded.
Paragraph 2 focuses on a disadvantage of penetration pricing, again using context linked to cost of making the products. Paragraph 3 moves to premium pricing offering a definition and advantage this is not in context. Paragraph 4 offers a disadvantage of premium lacking context. Paragraph 5 offers a conclusion stating the strategy to use with a brief justification. This was awarded high Level 2 as it does have both strategies, both sides but the skimming section and conclusion lack context. The expansion of the advantages and disadvantages are not as detailed as found in the previous example.

Penetration pricing is when a new business attempts to penetrate the Market by pricing their products very cheap compared to others to gain Many customers. I believe that this is the best way out of the two to go for as, customers will be attracted to the low price as in the Medium era Most pizza products ~~restaurants~~ that are vegan are expensive. ~~and best Here~~ are So ~~can~~ this gap in the Market for cheap pizzas can be exploited so that Many customers are gained though the Lowering pricing, this is an advantage as it Could increase brand loyalty.

However penetration pricing can be a huge risk to take at the Same time as the Cost of the products to be Made and the Selling Could be so high that cheap pricing Won't get the business break even for a while while or at all which will Mean that the business will Struggle, as they Might not be able to produce in Mass amounts anymore.

Premium pricing is when you relase a new product in the Market but pitch at a high price usually because of the quality of the service or product. This Could be an advantage as as though a few sales they would be able to break even with their costs quite quickly and even gain profit, this will have a positive impact on the business as they Could develop their products in the future due to the ~~Revenue~~ amount of profit gained.

increase of people income.

However this strategy is even more risky as penetration pricing as if this goes wrong there will only be very limited deals which will cause the product to decline as not really anyone is purchasing it due to the high price.

Overall, I believe that penetration pricing is the better strategy to enter the market as it is the safer way and more sensible way to gain many customers and it has worked countless of times.

Summary

Overall, there are some clear examples of good practice taking place in many centres. Some strong examples of understanding of marketing principles were pleasing to see as is the way learners' structure the evaluate and assess questions. Centres need to work on encouraging more balance in responses and context. There are however a small number of topics that may need close attention as learners struggled with some concepts as outlined above and below in the bullet point list. There were some examples where the extended open response questions were omitted. This may be due to timing issues so learners may benefit from timed practice using this paper, the Sample Assessment Materials and Additional Assessment Materials that can be found on the Pearson website. Learners should try to allocate time accordingly and ensure that the larger questions are attempted.

The following suggestions are made on how learners can further improve their answers.

- Ensure the question is read carefully to answer the question asked.
- Ensure the amount of time is spread across the paper so all questions are completed.
- Ensure learners can recall Ports Five Forces and that they understand the importance of knowing about each element.
- Ensure the learners understand how market research and marketing can be impacted positively or negatively by the internal environment.
- Ensure that extra attention is given to understanding what physical evidence is and examples.
- When asked to explain there is one mark for identification and one mark for linked expansion of each point. Except for the 6-mark question as the end of Section A where they explain two points but for 6 marks, so this needs an additional linked expansion.
- When using information from a stem or scenario it is important that this is not just copied out but processed in some way. For example, if it says a business used a premium pricing strategy it is better to refer to them charging a higher price with a premium over the competition.

- Aim to produce a balanced argument on all assess, discuss and evaluate questions in order to achieve the higher levels. The level descriptors expect balance in the higher bands so try to plan out your answer.
- Use the scenario provided to apply knowledge and understanding in context, particularly in Section B and Section C. Do not just use the name but make reference to the goods they manufacture or services they provide. Make reference to the market and customers they serve and include details given in the scenario where relevant.
- Provide a conclusion to the assess and evaluate and questions worth 9 and 12 marks respectively. The answer should be justified based on the arguments presented in the body of the response.

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